Performance Management
and Outcomes

Performance Management and Outcomes

OVERVIEW

The City of Alexandria, led by City Manager Rashad M. Young, has defined four guiding principles that both shape and drive the efforts of City government.

The guiding principles are:

1. Aligning our work with the City's Strategic Plan;

2. Executing against our strategy and ensure accountability for our results;

3. Promoting and encouraging a culture of leadership and ownership at all levels of the organization; and

4. Promoting a culture of service excellence, creativity and entrepreneurship.
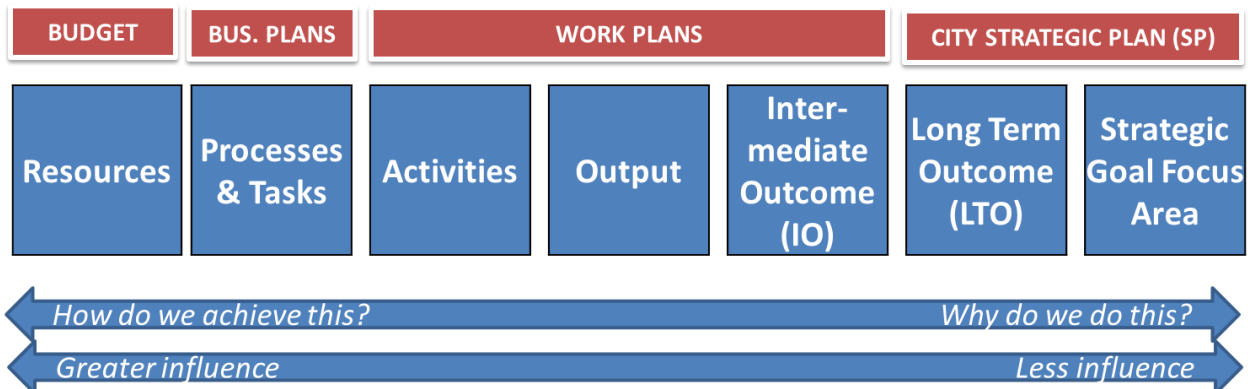
4 Guiding PRINCIPLES

1. Aligning the work we do with our strategic plan
2. Executing against our strategy and ensuring accountability for our results
3. Promoting and encouraging a culture of leadership and ownership at all levels of the organization
4. Promoting a culture of service excellence, creativity and entrepreneurship

As part of the effort to focus the City organization on the guiding principles, in October 2012, the City Manager began implementation of a performance management system. Although the system is in its infancy, this section of the budget document provides a description of the vision for the performance management system, an overview of what the City has accomplished so far, and an explanation about how this tool informs the budget process.

THE VISION FOR THE CITY'S PERFORMANCE MANAGEMENT SYSTEM

The City's performance management system is based upon a logic model approach. A logic model is a map that interconnects the City's resources, processes and tasks, activities, outputs, outcomes, and City strategic goal focus areas. This map enables the City to better understand how our budget and day-to-day work (business and work plans) interconnect and impact our ability to accomplish the goals of our City Strategic Plan. The City's initial and future performance management system will be based upon this approach. Below is an illustration of the logic model.

Logic Model

BUDGET	BUS. PLANS	WORK PLANS			CITY STRATEGIC PLAN (SP)	
Resources	Processes & Tasks	Activities	Output	Inter-mediate Outcome (IO)	Long Term Outcome (LTO)	Strategic Goal Focus Area

How do we achieve this? → *Why do we do this?*

Greater influence → *Less influence*

Utilizing the logic model approach, the City's performance management system is focused on improving service delivery through a continuous improvement process. The process is illustrated below and described in the subsequent sections.

CONTINUOUS IMPROVEMENT PROCESS
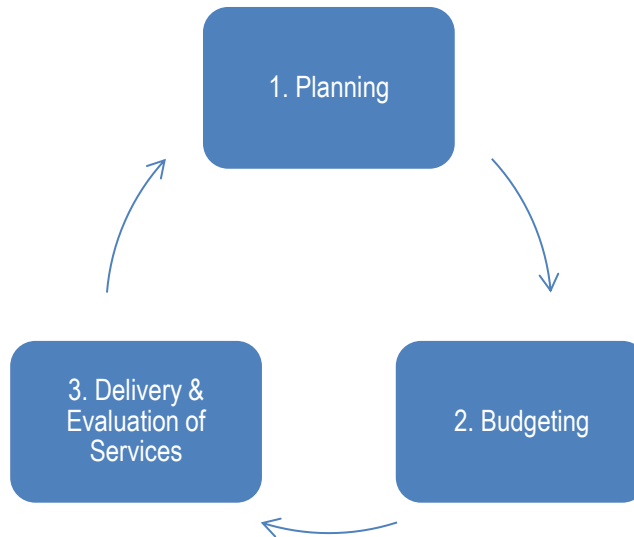
1. PLANNING

The City has three planning components: (1) City's Strategic Plan; (2) departmental work plans; and (3) business plans.

City's Strategic Plan

The City's Strategic Plan is a document that specifies the City's "destination." The City's Strategic Plan was most recently updated on June 2010 and can be found online at: http://alexandriava.gov/. The Strategic Plan includes many components including a City-wide vision, goals, and objectives. As the City has begun to operationalize the Strategic Plan to be used for the other elements of the continuous improvement process, there have been minor adjustments to the goal statements included in the plan; these adjustments are necessary to recognize the varied and complex connections that exist between the City's strategic goals. Below are the City's current Strategic Plan goals:

1. Alexandria has quality development and redevelopment, support for local businesses and a strong, diverse and growing local economy.
2. Alexandria respects, protects and enhances the health of its residents and the quality of its natural environment.
3. Alexandria has a multimodal transportation network that supports sustainable land use and provides internal mobility and regional connectivity for Alexandrians.
4. Alexandria is a caring community that supports and enhances the well-being, success, and achievement of the City's residents.
5. Alexandria is financially sustainable, efficient, community-oriented and values its employees.
6. The City protects the safety and security of its residents, businesses, employees and visitors.
7. Alexandria is an inclusive community and one that values its rich diversity, history and culture.

Departmental Work Plans

As the City continues to develop our performance management system, departmental work plans will also be created. Work plans will serve as the touchstone for how the City will work to accomplish the City's Strategic Plan. Work plans are the next phase of the City's performance management effort. The development of departmental work plans expand upon the City's Managing for Results Initiative (MFRI). The current budget document is presented in a MFRI arrangement but will be updated for the FY2015 budget to reflect the full implementation of the work planning effort.

Business Plans
Business plans typically highlight specific departmental processes and tasks that are planned and executed by operational departments. Business plans directly support departmental work plans which in turn support the City's strategic goals.

2. BUDGETING
The FY 2014 General Fund budget process is the first of a multi-year initiative to consider budget decisions based on the degree to which they affect the City's ability to accomplish the City's Strategic Plan. As the City develops our planning tools, the intention is to use a logic model to refine our understanding of the connections between resources, services delivered, and the outcomes (benefits to the community) which result.   This process is data-driven and oriented toward fostering discussion about how the allocation of resources impacts our community. An illustration of our budgeting process as focused on outcomes is illustrated below.

Budgeting Focused on Outcomes
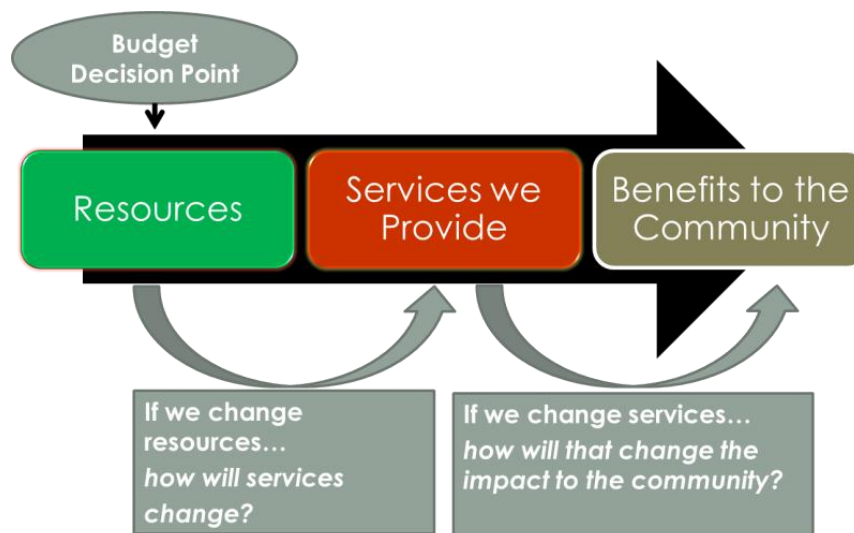
The Budget Process
FY 2014 was our first year of a multi-year initiative to align and understand budget changes in the context of their impact on the City's Strategic Plan. In order to accomplish this, the City's initial effort adjusted the budget development and review process. In future years, the budget process will continue to be refined to facilitate further integration of our budget process and performance management system. The following actions were taken in the FY 2014 budget process to identify how the budget affected the City's desired outcomes:

1. City Manager's Office, OPA and departments defined what the City's Strategic Plan means operationally.
2. OMB determined the available funding for FY 2014.
3. Departments with related and/or like-missioned services (e.g. Public Safety) developed and submitted budget proposals that met their FY 2014 funding targets. These proposals were analyzed within the context of how the budget change would impact the City's Strategic Plan.
4. OMB and OPA analyzed proposals to ensure that their strategic connections, performance impacts, and expenditure and revenues for FY14 were accurate and reasoned.
5. Department heads, collectively, discussed proposals within the context of balancing the budget, determined how budget changes would impact service delivery, and considered the extent those changes would impact the City's ability to accomplish the goals within the City's Strategic Plan.

Performance Management and Outcomes

To guide this process, all General Fund budget changes were evaluated and discussed using the sample form below. It includes the City's Strategic Plan's Goal (A), the goal's outcomes (B), the anticipated impact that the budget change will have on the outcome (C), and an explanation of the performance (D).

General Fund Budget Evaluation Form

	Name of the item	Description	Dept.	Anticipated impact on our outcomes	Performance Explanation	Expenditures	Revenues	FTEs
(A)								
	Goal 6. The City protects the safety and security of its residents, businesses, employees and visitors							
	Decrease the loss of property from criminal acts | Increase convictions of those who commit property crimes							
(B)	City Marina Security Reduction	Reduce after hour contracted marina security from 8 hours to 6 hours (from 9 pm-5 am to 10 pm-4 am)	RPCA	(C) No impact	Reduce annual after hour security from 2,920 hours to 2,190 hours. which is anticipated to have no impact on any intermediate outcomes in fy14. (D)	(15,000)		

3. DELIVERY AND EVALUATION OF SERVICES

The City's strategic plan, work plans, and the budgeting process are all ways of planning the services the City will deliver. In order to evaluate the efficiency and effectiveness of these services, the City has implemented a program and problem solving review process entitled AlexStat. AlexStat is a collaborative performance evaluation method to analyze the efficiency and effectiveness of City services within the context of improving intermediate and long term outcomes in the City's Strategic Plan.

Operationally, AlexStat is a set of regularly scheduled internal meetings focused on a variety of management topics and facilitated by the Office of Performance and Accountability (OPA). Participants in the AlexStat process include the City Manager and staff of the City Manager's Office, City departments, OMB, and other key stakeholders. The meetings are internal to ensure an open and collaborative environment to discuss and solve the City's issues candidly. However, once the AlexStat process has been adequately implemented and tested, meeting materials will be made available to the public.

Status of AlexStat
At the time the Proposed Budget is published, AlexStat has held three meetings. The topics have focused on staffing needs of the Department of Emergency Communications (DEC), vehicle fuel costs, and Fire/EMS overtime. Through the process and analysis of AlexStat, 30 recommendations have been made. All recommendations have been accepted for implementation by the City Manager.

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